

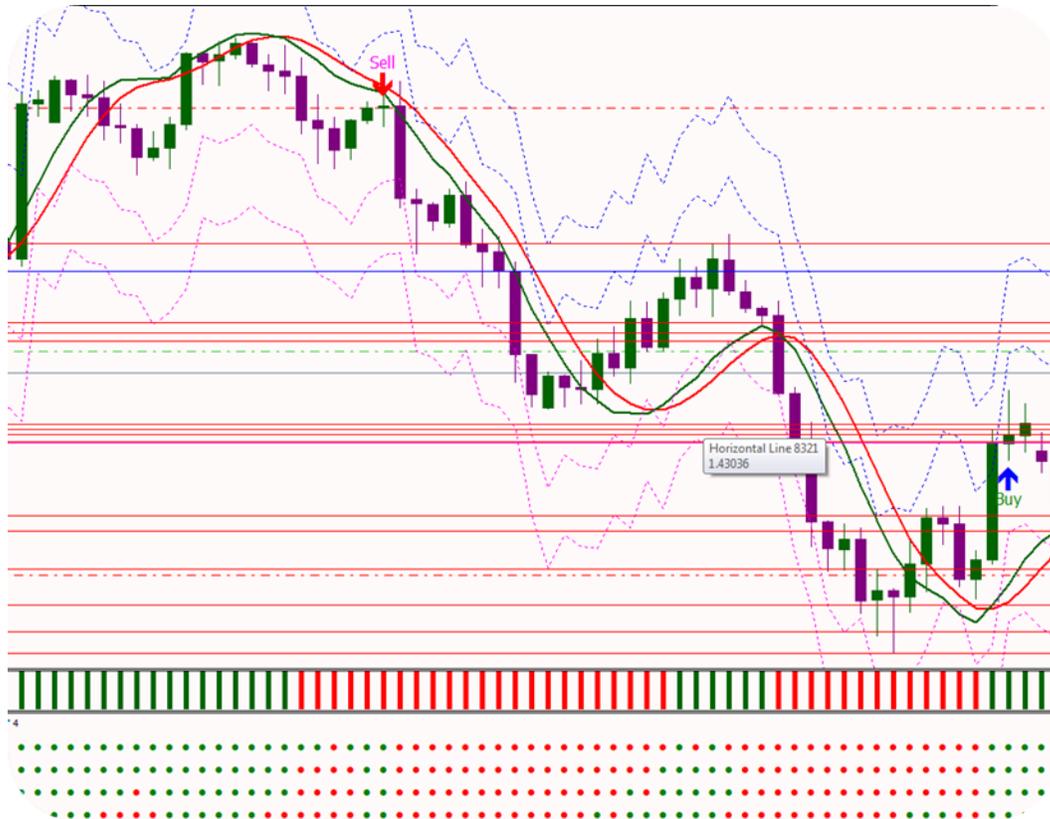
# **Covert Code**

**(previously known as Currency Messenger  
System 1)**

## **COVERT CODE INDICATORS**

Covert Code uses 5 different indicators

- Mes Signal 1 Indicator which gives you buy and sell arrow signal on the screen.
- MS1 Histogram which print out a red bar or a green bar
- MS1 Trend Matrix which print out a series of red and green dots
- MS1 Cross indicator which prints out a red and green line.
- MS1 Stop which prints out the two upper band and lower band which we will use for stoploss and take profit along the way in the trades.

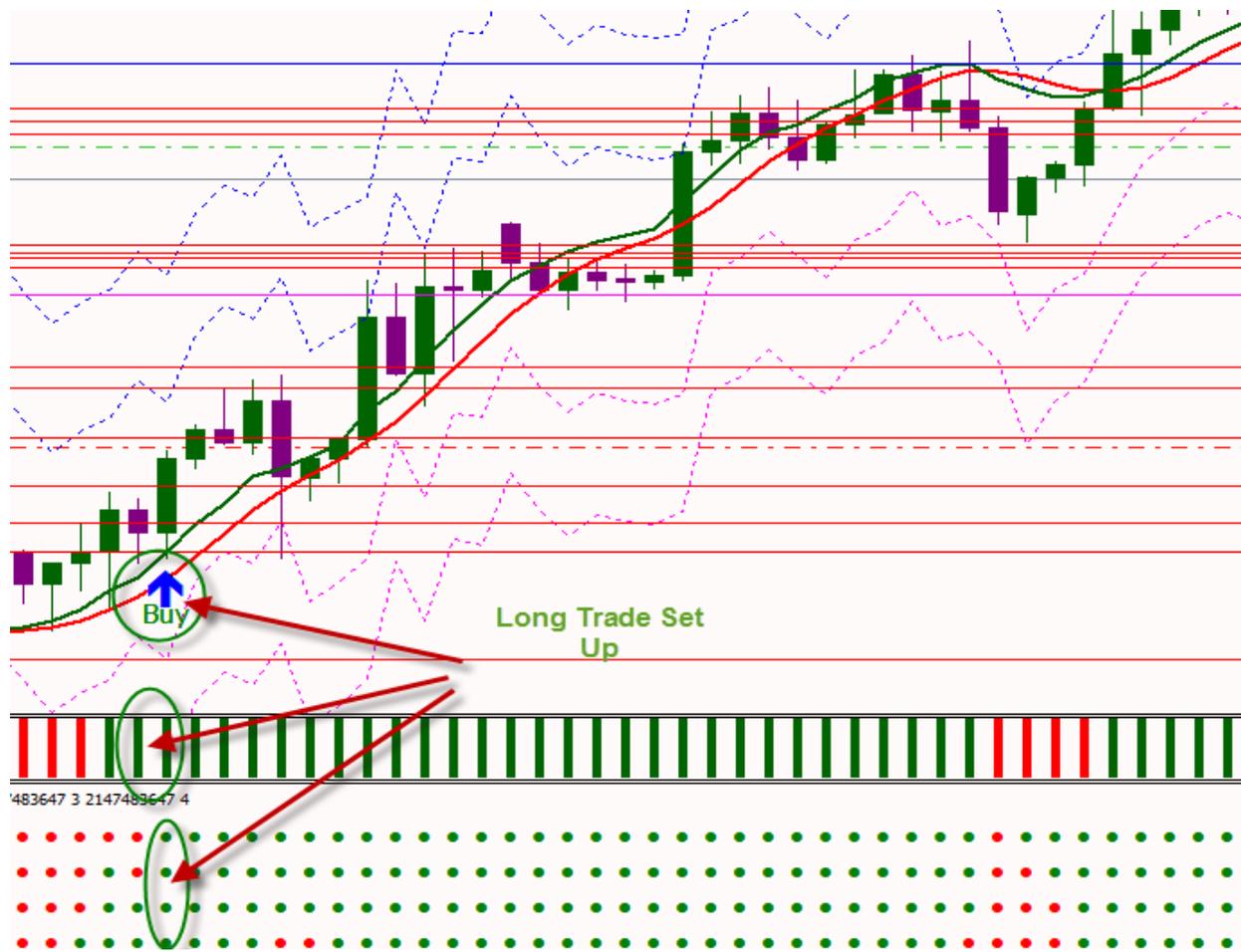


## ENTRY RULES

### BUY RULES

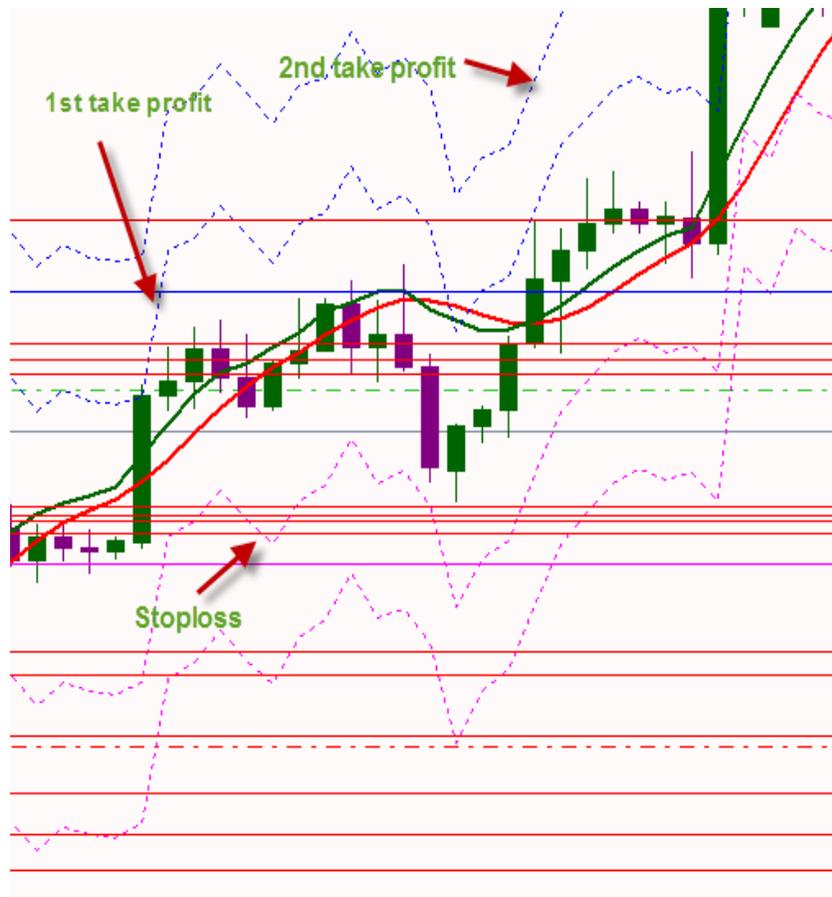
Open a LONG position when all these conditions are satisfied

- Mes Signal 1 is showing a bullish signal, printing a GREEN up arrow
- MS1 Cross 1 indicator has the green line cuts above the red line.
- MS1 Histogram is showing a GREEN bar
- MS1 Matrix Indicator has at least 3 GREEN dots.



### Enter the trades

- Enter The Trade On The Next Candle with 2 Lot
- The suggested stoploss for both lot is set to the 1<sup>st</sup> lower band of the MS1 Stop Indicator
- The 1<sup>st</sup> take profit is set to the 1<sup>st</sup> upper band of the MS1 Stop indicator
- The 2<sup>nd</sup> take profit is set to the 2<sup>nd</sup> upper band of the MS1 Stop indicator



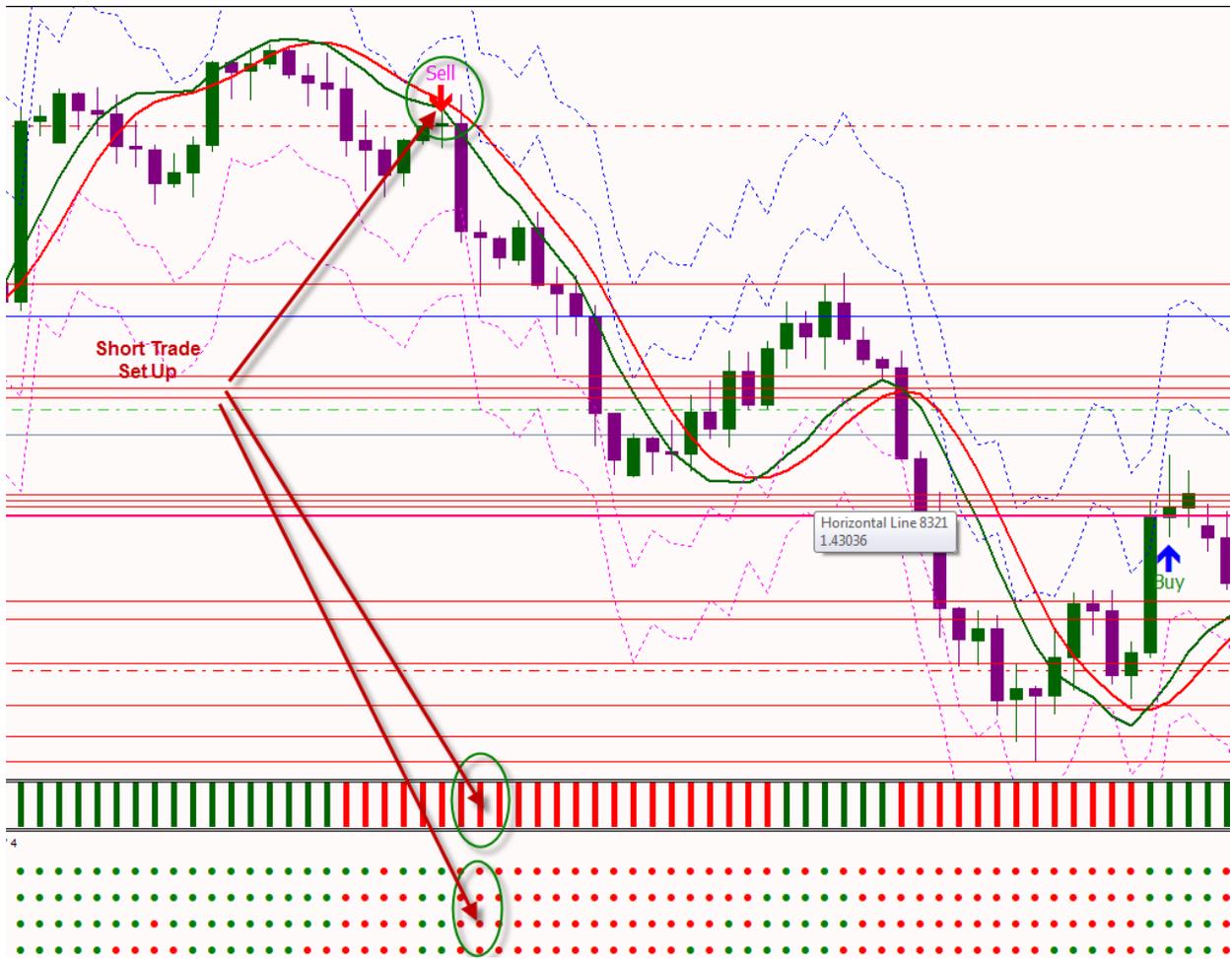
## Exit

- 0 Use take profit level as suggested by the MS1 Stop indicator
- 0 Exit when there are at least two indicators showing a reversal signal

## SELL RULES

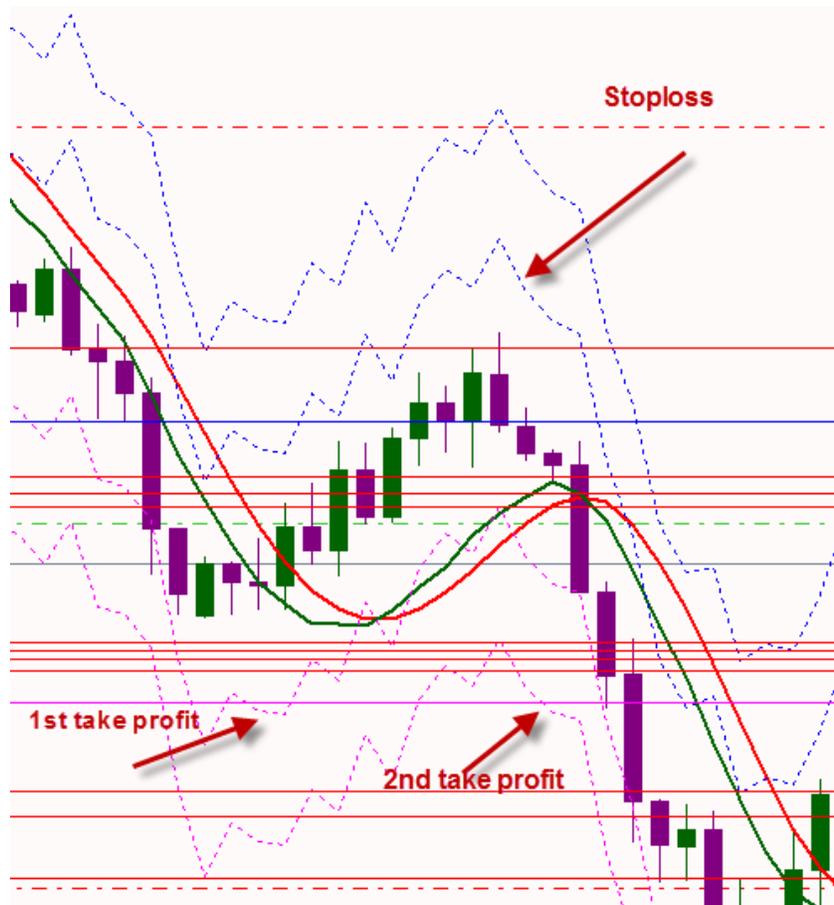
Open a SHORT position when all these conditions are satisfied

- Mes Signal 1 is showing a bearish signal, printing a RED down arrow
- MS1 Cross 1 indicator has the green line cuts below the red line.
- MS1 Histogram is showing a RED bar
- MS1 Matrix Indicator has at least 3 RED dots.



### Manage the trades

- Enter The Trade On The Next Candle with 2 Lot
- The suggested stoploss for both lot is set to the 1<sup>st</sup> upper band of the MS1 Stop Indicator
- The 1<sup>st</sup> take profit is set to the 1<sup>st</sup> lower band of the MS1 Stop indicator
- The 2<sup>nd</sup> take profit is set to the 2<sup>nd</sup> lower band of the MS1 Stop indicator



### Exit the trade

- 0 Use take profit level as suggested by the MS1 Stop indicator
- 0 Exit when there are at least two indicators showing a reversal signal

The recommended timeframes for this system are 4-H and daily

### **TRADE EXAMPLES**

***SELL EUR/USD on 4-H timeframe***



A sell signal has occurred and if you look at the chart all four indicators are showing the bearish signals.

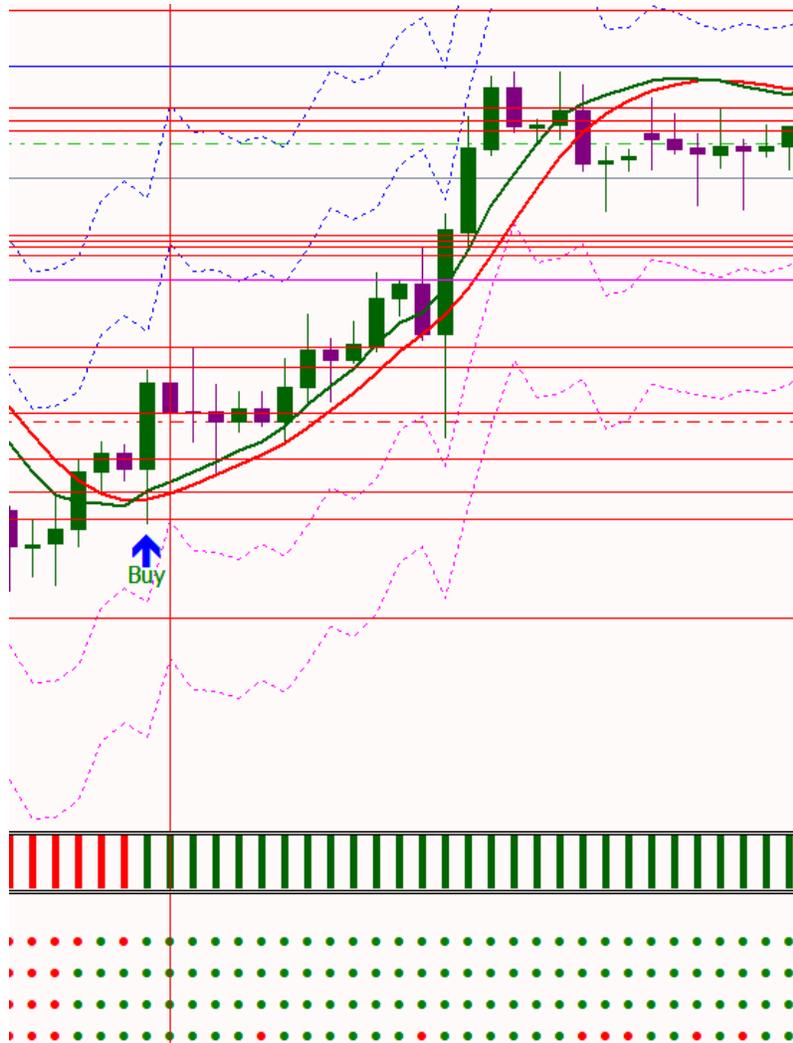
Mes Signal 1 is showing a red down arrow. The MS1 Cross has the green line cuts below the red line. The MS1 Histogram shows a red bar and the MS1 Matrix has 4 red dots. So we've got a clear sell signal, on the next bar after that signal, we enter the trade.

We open a short trade at 1.43037, we enter with 2 lots according to our profit indicator, our stop loss was set the first upper band of MS1 Stop indicator which is at 1.43972.

We set the first take profit level to the 1<sup>st</sup> lower band which is at 1.42118 and we set the second take profit level to the 2<sup>nd</sup> lower band which is at 1.41213. That's the take profit level on the

second lot, take profit level on the first lot. And then in this case the trade moved in our favour, take profits were hit at 1.42118 for the first lot and 1.41213 for the second so we made a total of 91 pips + 182 pips= 273 in profit on this trade.

***BUY EUR/USD on 4-H timeframe***



Mes Signal 1 is showing a green up arrow. The MS1 Cross has the green line cuts above the red line. The MS1 Histogram shows a green bar and the MS1 Matrix has 4 green dots. So we've got a clear sell signal, on the next bar after that signal, we enter the trade.

We open a long trade at 1.42860, we enter with 2 lots according to our MS1 Stop indicator, our stop loss was set at the first lower band of MS1 Stop indicator which is at 1.41860.

We set the first take profit level to the 1<sup>st</sup> upper band which is at 1.43878 and we set the second take profit level to the 2<sup>nd</sup> upper band which is at 1.44867 That's the take profit level on the second lot, take profit level on the first lot. And then in this case the trade moved in our favour, take profits were hit at 1.43878 for the first lot and 1.44867 for the second so we made a total of 101 pips + 200 pips = 301 pips in profit on this trade.

Alternatively you could have waited until the indicators, at least 2 indicators were showing a reversal which happened at this point here. So if you had done that you could have stayed in the trade and made a few more pips. But again this system uses fairly healthy profit levels, the easiest way to manage your trades is just to simply set your stop loss and your take profits and let the trades run.